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Gregory N. Schabell
R. Leslie Knight
Bryan C. Berger

February 7, 2013

RECEIVED

FEB 11 2013

PUBLIC SERVICE
COMMISSION

Public Service Commission
Attn: Mr. Jeff Derouen
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602-0615

Re: Grant County Sanitary Sewer District
Case No. 2012-00109

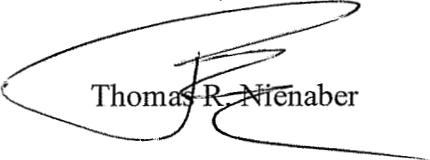
Dear Director Derouen:

Enclosed please find a Supplemental Filing for the subject case.

If you have any questions, please do not hesitate to call.

Very truly yours,

BERGER, COX & NIENABER, P.S.C.


Thomas R. Nienaber

TRN/css

Enclosure

cc: Public Service Commission, Attn: Ms. Linda Faulkner

RECEIVED
FEB 11 2013
PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION
APPLICATION OF THE GRANT COUNTY SANITARY SEWER DISTRICT
FOR
CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO CONSTRUCT
PROPOSED SANITARY SEWER LINE IMPROVEMENTS
AND
APPROVAL OF THE PROPOSED PLAN TO FINANCE THE IMPROVEMENTS

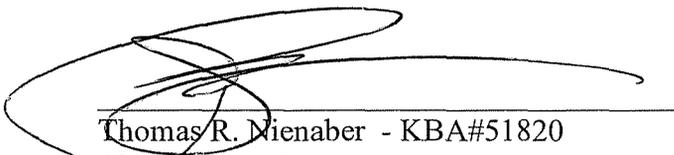
CASE NO. 2012-00109

SUPPLEMENTAL FILING

Pursuant to the Commission's Order dated June 12, 2012, the Grant County Sanitary Sewer District ("District") submits the attached filing representing the Assistance Agreement dated January 1, 2012 and the First Supplemental Assistance Agreement dated April 1, 2012 for KIA Loan A2 09-35, the proceeds of which were used for the District's Phase I Sanitary Sewer Extension Project. Also attached is the Kentucky Infrastructure Authority's correspondence dated January 28, 2013 acknowledging that all eligible funds of the loan have been applied leaving an amortized loan balance of \$207,491.11. The Loan Repayment Schedule is also attached.

Respectfully submitted,

BERGER & NIENABER, P.S.C.



Thomas R. Mienaber - KBA#51820
401 Madison Avenue
Covington, KY 41011
(859) 491-9088

FIRST SUPPLEMENTAL ASSISTANCE AGREEMENT

This First Supplemental Assistance Agreement made and entered into as of the date set forth on the cover page hereof (the "First Supplemental Agreement") by and between the Kentucky Infrastructure Authority, a body corporate and politic, constituting a public corporation and governmental agency and instrumentality of the Commonwealth of Kentucky (the "Authority") and the governmental agency identified on the cover of this First Supplemental Agreement (the "Governmental Agency"):

WITNESSETH:

WHEREAS, the Authority and the Governmental Agency have heretofore entered into an Assistance Agreement dated as of the date set forth on the cover page hereof (the "Assistance Agreement") for the purpose of providing financial assistance to the Governmental Agency in connection with the acquisition and construction of the Project, as defined in the Assistance Agreement; and

WHEREAS, the Authority and the Governmental Agency desire to amend certain provisions of the Assistance Agreement to provide additional funds to complete the Project;

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS CONTAINED HEREIN AND IN THE ASSISTANCE AGREEMENT, AND OTHER GOOD AND VALUABLE CONSIDERATION, THE PARTIES HERETO COVENANT, AGREE AND BIND THEMSELVES AS FOLLOWS:

ARTICLE I

RELATION TO ASSISTANCE AGREEMENT

Section 1.1. This First Supplemental Agreement is supplemental to the Assistance Agreement and shall be read and construed with the Assistance Agreement as though it were part of the same instrument. The provisions of the Assistance Agreement are hereby ratified and affirmed except as amended hereby. All capitalized terms used herein shall have the same meanings as provided in the Assistance Agreement, as amended by this First Supplemental Agreement.

ARTICLE II

AMENDMENT TO ASSISTANCE AGREEMENT

Section 2.1. Exhibit A attached to the Assistance Agreement is hereby amended by replacing said Exhibit A in its entirety with the Exhibit A attached hereto.

ARTICLE III

EFFECT OF FIRST SUPPLEMENTAL AGREEMENT

Section 3.1. From and after the time of taking effect of this First Supplemental Agreement, the Assistance Agreement shall be, and be deemed to be, modified and amended in accordance herewith, and the respective rights, duties and obligations under the Assistance Agreement of the Authority and the Governmental Agency thereunder shall be determined, exercised and enforced thereunder subject in all respects to the provisions of this First Supplemental Agreement, and all provisions hereof shall be deemed to be part of the terms and conditions of the Assistance Agreement for any and all purposes.

ARTICLE IV

EFFECTIVE DATE; MISCELLANEOUS PROVISIONS

Section 4.1. *Time of taking effect.* This First Supplemental Agreement shall be effective as of the day and year written on the cover page hereof.

Section 4.2. *Invalidity of any provision.* In case any one or more of the provisions contained herein shall be adjudicated by any court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be effected or impaired thereby.

Section 4.3. *Execution in counterparts.* This First Supplemental Agreement may be simultaneously executed and delivered in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original, but such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this First Supplemental Agreement to be executed by their respective duly authorized officers as of the day and year stated on the cover page hereof.

**KENTUCKY INFRASTRUCTURE
AUTHORITY**

By:



EXECUTIVE DIRECTOR

Title:

Attest:



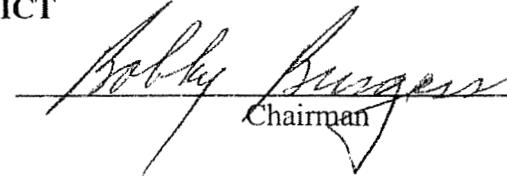
Title

SECRETARY

GOVERNMENTAL AGENCY:

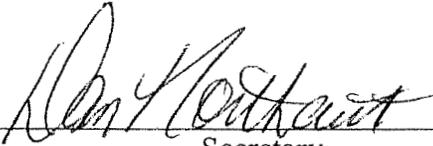
**GRANT COUNTY SANITARY SEWER
DISTRICT**

By:


Chairman

Attest:

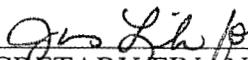
By:



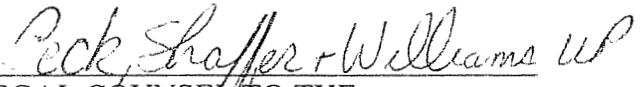
Title

Secretary

APPROVED:


SECRETARY OF FINANCE AND
ADMINISTRATION CABINET OF THE
COMMONWEALTH OF KENTUCKY

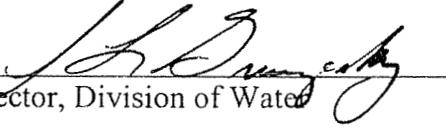
EXAMINED:


LEGAL COUNSEL TO THE
KENTUCKY INFRASTRUCTURE
AUTHORITY

ENERGY AND ENVIRONMENT CABINET

By:

Director, Division of Water



APPROVED AS TO FORM AND LEGALITY



APPROVED

FINANCE AND ADMINISTRATION CABINET

KENTUCKY INFRASTRUCTURE AUTHORITY

FIRST SUPPLEMENTAL ASSISTANCE AGREEMENT

FUND A

PROJECT NUMBER: A2 09-35

BORROWER: Grant County Sanitary Sewer District

BORROWER'S ADDRESS: PO Box 460
Crittenden, Kentucky 41030

DATE OF ASSISTANCE AGREEMENT: January 1, 2010

DATE OF FIRST SUPPLEMENTAL
ASSISTANCE AGREEMENT: April 1, 2012

EXHIBIT A
Grant County Sanitary Sewer District
PROJECT SPECIFICS
A2 09-35 (Increase)

GOVERNMENTAL AGENCY:

Name: Grant County Sanitary Sewer District
P.O. Box 460
Crittenden, KY 41030

Contact

Person: Bobby Burgess
(859) 254-6623

SYSTEM: Wastewater

PROJECT:

The Grant County Sanitary Sewer District is requesting an increase of \$133,178 in a Fund A loan that was previously approved for \$300,000 from the American Recovery and Reinvestment Act of 2009 for Phase I of a Sanitary Sewer Extension project. The increase is needed to fund unanticipated budget overages. The project will serve the Sherman area and areas north of Sherman in Grant County and will include 8,935 feet of 8" gravity sewer, 20,452 feet of forcemain, 7,883 feet of small diameter forcemain, 43 manholes and six pump stations. The project will connect 84 customers, which will eliminate septic systems, in addition to connecting Grant County Mobile Home Park (43 users) and Cincinnati Campground, which will eliminate two package sewer plants. Sewer connection will also be available to Countryside Mobile Home Park. Debt service will be funded from existing revenues and the increased customer base.

PROJECT BUDGET:

	<u>Total</u>
Administrative Expenses	\$ 28,621
Legal Expenses	64,875
Land, Easements	142,035
Engineering Fees	264,289
Construction	1,532,459
Other	82,434
Total	\$ 2,114,713

FUNDING SOURCES:

	<u>Amount</u>	<u>%</u>
Fund A Loan	\$ 433,178	20%
Local Funds	71,000	3%
HB267	900,000	43%
HB608	650,000	31%
Grant Mobile Home Park	60,535	3%
Total	\$ 2,114,713	100%

KIA DEBT SERVICE:

Construction Loan	\$	433,178
Less: Principal Forgiveness (52.1%)	\$	225,686
Amortized Loan Amount	\$	207,492
Interest Rate		3.00%
Loan Term (Years)		20
Estimated Annual Debt Service	\$	13,872
Administrative Fee (0.20%)	\$	415
Total Estimated Annual Debt Service	\$	14,287

AMORTIZATION COMMENCEMENT DATE: June 1 and December 1

Interest payments commenced 12/1/10.

Full principal and interest payments will commence 6/1/12.

REPLACEMENT RESERVE ACCOUNT:	\$	750	ANNUAL AMOUNT
	\$	7,500	TOTAL AMOUNT

The annual replacement cost is \$750. This amount should be added to the replacement account each December 1 until the balance reaches \$7,500 and maintained for the life of the loan.

ADMINISTRATIVE FEE: 0.20%

DEFAULT RATE: 8.00%

DEBT OBLIGATIONS CURRENTLY OUTSTANDING:

	<u>Outstanding</u>	<u>Maturity</u>
Kentucky Rural Finance Corporation Bonds, Series 2001D	\$1,176,000	Jan-23
KIA A2 09-35	138,700	Dec-31
KIA (A12-01 i/a/o \$822,100)	0	TBD
Total	\$1,314,700	

LIABILITY INSURANCE COVERAGE:

Death or Personal Injury (per person)
 Death or Personal Injury (per occurrence)
 Property Damage on System

SEE ATTACHED



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
12/14/2009

PRODUCER (859) 431-1235 FAX: (859) 431-0437
 Chas. H. Bilz Insurance Agency, Inc.
 12 Madison Avenue
 Post Office Box 12666
 Covington KY 41012-0666

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED
 Grant County Sanitary Sewer District
 P. O. Box 460
 Crittenden KY 41030

INSURERS AFFORDING COVERAGE

NAIC #

INSURER A: St. Paul Fire & Marine

24767

INSURER B:

INSURER C:

INSURER D:

INSURER E:

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR	INSRO	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
A		GENERAL LIABILITY	GP09314558	5/14/2009	5/14/2010	EACH OCCURRENCE \$ 1,000,000
		<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000
		<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				MED EXP (Any one person) \$ 5,000
		GEN'L AGGREGATE LIMIT APPLIES PER:				PERSONAL & ADV INJURY \$ 1,000,000
		<input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				GENERAL AGGREGATE \$ 2,000,000
A		AUTOMOBILE LIABILITY	GP09314558	5/14/2009	5/14/2010	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
		<input checked="" type="checkbox"/> ANY AUTO				BODILY INJURY (Per person) \$
		<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident) \$
		<input type="checkbox"/> SCHEDULED AUTOS				PROPERTY DAMAGE (Per accident) \$
		<input type="checkbox"/> HIRED AUTOS				AUTO ONLY - EA ACCIDENT \$
		<input type="checkbox"/> NON-OWNED AUTOS				OTHER THAN EA ACC AGG \$
A		GARAGE LIABILITY				EACH OCCURRENCE \$ 1,000,000
		<input type="checkbox"/> ANY AUTO				AGGREGATE \$ 1,000,000
A		EXCESS / UMBRELLA LIABILITY	GP09314558	5/14/2009	5/14/2010	\$
		<input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				\$
		<input type="checkbox"/> DEDUCTIBLE				\$
		<input checked="" type="checkbox"/> RETENTION \$ 10,000				\$
A		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				WC STATU-TORY LIMITS OTH-ER \$
		ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)				E.L. EACH ACCIDENT \$
		If yes, describe under SPECIAL PROVISIONS below				E.L. DISEASE - EA EMPLOYEE \$
		OTHER				E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

CERTIFICATE HOLDER

Proof of Coverage

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

Thomas O. Youtsey

ACORD 25 (2009/01)

NS025 (200901)

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RESOLUTION

RESOLUTION OF THE GRANT COUNTY SANITARY SEWER DISTRICT APPROVING AND AUTHORIZING A FIRST SUPPLEMENTAL ASSISTANCE AGREEMENT BETWEEN THE GRANT COUNTY SANITARY SEWER DISTRICT AND THE KENTUCKY INFRASTRUCTURE AUTHORITY.

WHEREAS, the Board of Directors ("governing authority") of the Grant County Sanitary Sewer District, ("Governmental Agency") has previously determined that it is in the public interest to finance improvements to the Governmental Agency's Wastewater System (the "Project"); and

WHEREAS, the Governmental Agency made an application to the Kentucky Infrastructure Authority (the "Authority") for the purpose of providing monies to construct the Project; and

WHEREAS, in order to obtain such monies, the Governmental Agency entered into an Assistance Agreement dated as of January 1, 2010 with the Authority; and

WHEREAS, since the date of the Assistance Agreement the Authority has agreed to provide additional monies for the Project; and

WHEREAS, in order to receive such additional monies for the Project it is necessary for the Governmental Agency to enter into a First Supplemental Assistance Agreement with the Authority.

NOW, THEREFORE, BE IT RESOLVED by the governing authority of the Grant County Sanitary Sewer District, as follows:

SECTION 1. That the governing authority hereby approves and authorizes the First Supplemental Assistance Agreement between the Governmental Agency and the Authority substantially in the form on file with the Governmental Agency for the purpose of providing the necessary financing to the Governmental Agency for the Project.

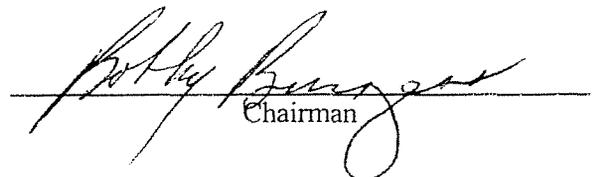
SECTION 2. That the Chairman and Secretary of the Governmental Agency be and hereby is authorized, directed and empowered to execute necessary documents or agreements, and to otherwise act on behalf of the Governmental Agency to effect such financing.

SECTION 3. That this resolution shall take effect at the earliest time provided by law.

ADOPTED on April 19, 2012.

Attest:


Secretary


Chairman

CERTIFICATE

I, the undersigned, hereby certify that I am the duly qualified and acting Secretary of the Grant County Sanitary Sewer District; that the foregoing is a full, true and correct copy of a Resolution adopted by the Board of Directors of said City at a meeting duly held on April 19, 2012; that said official action appears as a matter of public record in the official records or journal of the Grant County Sanitary Sewer District; that said meeting was held in accordance with all applicable requirements of Kentucky law, including KRS 61.810, 61.815, 61.820 and 61.825; that a quorum was present at said meeting; that said official action has not been modified, amended, revoked or repealed and is now in full force and effect.

IN TESTIMONY WHEREOF, witness my signature this 19 day of April, 2012.


Secretary

64613v1